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Supreme Court of the United States.

OCTOBER TERM, 1902.

Supreme Court U. S.
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JAMES H. McKENNEY,
Clerk.

NO. 181.

JOHN A. BRILL and the J. G. BRILL COMPANY,
Complainants and Petitioners,

vs.

THE PECKHAM MOTOR TRUCK AND WHEEL COMPANY, *et al.*,
Defendants and Respondents.

SUPPLEMENTAL BRIEF FOR RESPONDENTS.

CHARLES H. DUELL,
WILLIAM A. MEGRATH,
Counsel for Respondents.

In the United States Supreme Court.

JOHN A. BRILL AND THE J. G. BRILL COMPANY,

Petitioners,

Against } *In Equity.*

THE PECKHAM MOTOR TRUCK & WHEEL COMPANY,

Respondents.

Supplemental Brief for Respondents.

Respondents requested leave to file this supplemental brief for the reason that Petitioners' brief was not filed until February 27th, three days after Respondents' brief was filed, and not within the time provided by the rules of the Court.

In their brief the Petitioners' raised various questions which are so revolutionary that Respondents did not anticipate they would be seriously urged. Statements were also made in variance with the facts developed by the record. The main question thus raised is that of

COMITY.

The position of this court upon the question of comity is clearly stated in Mast, Foos & Co., *vs.* Stover Mfg. Co., 107 U. S. 485.

Notwithstanding this, the Petitioners insist that a Circuit Court of Appeals, upon hearing an appeal from an order granting a preliminary injunction, which injunction is granted on the authority of a prior adjudication sustaining the validity of a patent, is practically bound by the decision of the lower court.

The Circuit Courts of Appeals have been in existence ten years, during which time they have always claimed and exercised the right to review the action of the lower courts in granting a preliminary injunction based upon a prior adjudication, even when that prior adjudication was made by a member of their own court.

This authority has been repeatedly exercised by the Circuit Court of Appeals for the Second Circuit.

Curtis v. Overman Wheel Co., 58 F. R., 784;
Thomson-Houston Electric Co. v. Hoosick Co., 82 F. R., 461;
Thomson-Houston Electric Co. v. Union Co., 86 F. R., 636;
Sprague Electric &c. Co. v. Nassau &c. Co., 95 F. R., 821;
American Graphophone Co. v. National Graphophone Co. et al., 92 F. R., 364.

In the former case the court said that it had been

> "at liberty, in accordance with its statement of the weight to be given to a prior adjudication upon an appealed order for a preliminary injunction (American Paper Pail & Box Co. *v.* National Folding Box & Paper Co., 2 C. C. A. 165, 51 Fed., 229) to re-examine the former adjudication, and to dispose of the question in accordance with its own convictions."

In this case the prior adjudication was in another circuit.

However, in Thomson-Houston Electric Co. v. Hoosick Co., Supra, the prior adjudication was in a Circuit Court of the same circuit.

The Circuit Court of Appeals for the Third Circuit has exercised the same right of re-examination, irrespective of the fact whether the prior adjudication was in or out of its own circuit.

Whippany Mfg. Co. v. United Indurated Fibre Co., &c., 87 F. R., 215.

Horn & Brannen Mfg. Co. v. Pelzer, 91 F. R., 665.

Circuit Courts of other circuits have exercised the same right of review and reversal.

Seiler et al. v. Fuller & Johnson Mfg. Co., 102 F. R. 344 (Seventh Circuit).

No attempt has been made to collate all the cases of this character, but simply to show the authority exercised by the Appellate Courts. We have been unable to find that the United States Supreme Court has ever taken jurisdiction of such a case for the purpose of either reversing or affirming a decision of the Circuit Court of Appeals in merely affirming or vacating a preliminary injunction.

It is not contended that great weight should not be given to the prior adjudication in a patent case by the Circuit Court of Appeals, but, speaking plainly, it would be an absurdity for the United States Supreme Court to so broaden the rule of comity that a Circuit Court of Appeals must be bound by the decision of an inferior court even in the matter of affirming or reversing an order for a preliminary injunction based upon a prior adjudication.

The Respondents' trucks are entirely different from the trucks involved in the Third Avenue Railroad suit and therefore presented in a different light the question of infringement, and, in order to determine that question, it was necessary to carefully consider the Petitioners' patent and to construe the claims thereof.

The opinion of the Circuit Court of Appeals shows a careful consideration of the case and that due weight was given to the decision of Judge Shipman. That Court does not lightly reverse the decisions of its own circuit courts.

THE PRELIMINARY INJUNCTION WAS IMPROVIDENTLY GRANTED BY THE CIRCUIT COURT IN THIS CASE.

Judge Lacombe granted the preliminary injunction in this case upon the prior adjudication in the Third Avenue Railroad Co. suit, and upon that alone. The history of that case shows that it was not such a prior adjudicaiton as should lead even a circuit court to blindly follow it, and had the facts been called to the learned Judge's attention it is thought that he would not have granted the injunction, although it will be remembered that he promptly suspended it pending the appeal. The record in the Third Avenue case shows that, so far as the railroad was concerned it was a friendly suit, and that so far as the maker of the trucks complained of was concerned, it did not have full control, and that while the testimony was being taken its interest ceased by the fact that the trucks complained of were discarded by the Third Avenue Railroad.

The history of the litigation appears from the following extracts from the record. George M. Hoadley, Manager of the Bemis Company, testified:

> "Mr. Rawle notified me that they were about to bring suit—that is, he, representing the Brill Company—against the Third Avenue Railroad of New York, for infringement of certain patents; that they had gone over the matter with the Third Avenue Railway people and HAD RECEIVED PERMISSION TO BRING SUCH A SUIT, and that unless some arrangement was made immediately with the Brill Company, such suit would be brought"
>
> A. 12, D. R. 178.

The president of the Third Avenue Railroad Company wrote the Bemis Car Box Company (the maker of the trucks) as follows:

> "We beg to add that we have no interest in the suit, inasmuch as in either event the result will not affect the Company." D. R., p. 270.

The Bemis Company sought to intervene, but their

petition was denied, the solicitors for the complainant and the nominal defendant opposing it. D. R. p. 12.

The defendant's superintendent, Mr. Robertson, was called as a witness by the complainant and opportunity for the Bemis Company's attorney to cross-examine him was not granted. C. R .p. 63. Other employees of the nominal defendant appeared as witnesses without being subpoenaed and the Third Avenue Company assisted the complainant in various ways. C. R. p. 253. The record also shows that the trucks in suit were discarded before the testimony was closed. Mr. McGowan, an employee of the Third Avenue Company, testified:

> "Q. 24. State about how many of them there were in use by your company as originally received?
> "A. I should say about 180.
> "Q. 25. State whether or not they are still in use?
> "A. No; they ain't in use any more."

No appeal was taken, and so far as the record discloses, no attempt was ever made to utilize this adjudication against the Bemis Company.

Wilson v. Consolidated &c. Co., 88 F. R., 286.

COMPLAINANT'S LACHES.

The patent in suit was issued in 1892. No notification of infringement was given Respondents herein until the Summer of 1897. The Respondent Company asserted its right to continue to make its trucks and notified Appellants that it would defend any suit if it were brought. Instead of bringing a suit against this Respondent Company, which was manufacturing within the Southern District of New York, these Petitioners brought suit against a user of other trucks in the same district. Under such a state of facts it was manifestly unjust three years thereafter, upon a notice of four days, that the petitioner should ask and obtain a preliminary injunction. The result of such non action was that the Respondents have openly placed thousands of trucks upon the market, at least twelve hundred in the City of Philadelphia, where the Petitioners

have their place of business, and five hundred in New York Ctiy. Transcript of Record, p. 90. Brush Co. vs. Electric Co., 64 F. R., 775.

It is for these reasons and others we insist that the Circuit Court improvidently granted the preliminary injunction in this case. If this Court determines to review the propriety of the act of the Circuit Court of Appeals in reversing the order for the injunction, then we respectfully insist that not only the reasons given by the Circuit Court of Appeals for its action should be examined, but also the other facts developed by the record.

THE PRIOR ART.

Appellants, in their brief assert: That there is no prior art save the Manier and Peckham patents. And this in the face of their expert affidavit, in which is enumerated a large number of patents showing, among other things, that springs had been so arranged that additional springs were brought into action only after the springs first operated upon had been compressed, and that trucks having independent frames constituting and extended spring base for car bodies were numerous. (Transcript of Record, pp. 73, 74 and 75.) The opinion of the Circuit Court of Appeals, to which attention has been called in our main brief, states that the invention resides merely in the substitution of elliptical for semi-elliptical end springs.

It is a matter of common knowledge that the truck art is as old as steam railways, and it is one of the arts most fully developed. Truck patents have repeatedly been before the courts, and held to be of such limited character as to require a narrow construction.

> Pennsylvania R. Co. vs. Locomotive Engine Safety Truck Co., 110 U. S., 490;
> McCarty vs. Lehigh Co., 160 U. S., 110;
> Brill vs. St. Louis Car Co., 80 F. R., 909;
> Brill vs. St. Louis Car Co., 90 F. R., 666.

There are no primary or pioneer truck patents, as Petitioners would have the Court believe.

The Petitioners' assertions that the trucks of the patent-in-suit are substantially the only single, non-pivotal trucks in use is a statement not borne out by the record. They give only two or three specific instances where they have placed the trucks upon the market, and the record shows that the Petitioners have discontinued the manufacture of the truck of the patent. (Transcript of Record, p. 89.) It is true the Respondents' trucks are the trucks that have largely taken the market, but they operate upon a different principle, and are not the trucks of the patent-in-suit. Furthermore, single trucks of a dozen different varieties are in actual use, and one of these is the truck known as the "Lord Baltimore," in use on all the motor cars of the Capitol Traction Company of Washington. These facts should be considered by the court, provided the propriety of the action of the Circuit Court of Appeals in vacating the injunction is to be passed upon by this court—otherwise they are irrelevant.

The Appellants' asertion that no opportunity was given them to reply to the Respondents' affidavits is misleading and not borne out by the record. We have shown in our main brief that the rules of the Court provide that the complainant, upon a motion for preliminary injunction, may be given leave to file supplemental affidavits answering the defendants' affidavits.

THE COURT OF APPEALS DID NOT ERR IN DIRECTING THE DISMISSAL OF THE BILL.

Upon the argument of this case counsel for Respondents understood that the Court did not care for any extended reference to facts which were only shown and disputed by the affidavits. Respondents concede that if the propriety of the action of the Circuit Court of Appeals in vacating the injunction is not to be passed upon, then the affidavits on material disputed facts may properly be held to require little attention in passing upon the question whether the lower court erred in directing that the bill be dismissed. This admission, however, only goes to such facts as are disputed; to such facts as are only shown by the affidavits; and to those facts which are

necessary for the determination of the question of the dismissal of the bill. The construction and operation of Respondents' trucks is not a question which requires proof by affidavit. The Petitioners exhibited illustrations of Respondents' trucks. The Respondents admit that the trucks, as illustrated opposite page 45, are their trucks, and are correctly illustrated. Models of these trucks were before the lower court, and are before this Court, and that they are correct reproductions of Respondents' trucks has not been denied. An examination of the model trucks leaves open no question as to their construction or operation. Both sets of springs in Respondents' structures are secured at the top and bottom to the stationary and movable frames respectively, and when the movable frame is depressed all the springs are compressed simultaneously, and when this frame rises all the springs are extended or retracted and co-operate with each other to prevent the car body from rising. When one end of the car goes down and the other up, all the springs at that end which goes down are simultaneously depressed and all the springs at the other end are simultaneously retracted, and co-operate with each other to prevent the latter end from rising and the car galloping. It is a mechanical impossibility for both sets of the springs in Respondents' trucks to compress or retract otherwise than simultaneously. In the Petitioners' structure, on the other hand, only the spiral springs are secured at the upper ends to the movable frame; the elliptic springs are not only not secured to the movable frame, but this frame does not even contact with said elliptic springs unless the car is abnormally depressed. When one end of Petitioners' car goes down and the other goes up, in galloping, the down end first compresses the spiral springs and then contacts with and presses the elliptic springs. The upper end, however, is entirely raised out of contact with the elliptic spring, and only the spiral spring is retracted to resist the rising of this end of the car. The elliptic spring does not, in Respondents' structure, co-act with the spiral spring to resist or overcome the tendency of this end of the car from rising. It might just as well be absent from the structure, so far

as co-acting with the spiral spring for this purpose, and it only co-acts with the spiral at the other end when that end of the car has been abnormally depressed. It is clear from the examination of the Petitioners' patent and the admitted construction of Respondents' device, and without any evidence or testimony that the two structures operate entirely different.

No amount of testimony can make black white or white black. Here we have fixed, certain facts. The Circuit Court of Appeals had these to start with.

Whether the Respondents' trucks infringe Claims 1 and 2 of the patent-in-suit was to be determined by a comparison between the trucks and the claims of the patent. In order to decide this question the Court examined the claims, and construed them in the light of the specification, and its conclusion that:

> "if the patentee had attempted to do so, it would have been difficult to frame a specification which more industriously sets forth as essential to his invention such a construction and arrangement of the spring devices that the elliptic springs will not be brought into play until the spiral springs have been compressed by the weight of the car body and the added load, 'until the weight of the load on the axle-box springs begins to compress such springs abnormally.' This characteristic of the invention must be imported into the claims, and would have to be if the qualifying term, 'substantially as described,' had not been incorporated into them."

The Court having, after examination, decided that:

> "in the car trucks of the Respondents both sets of springs are brought into action, and begin to compress simultaneously when the weight upon them is greater than the normal weight of the car,"

the logical conclusion of the Court was that there was and could be no infringement and that, therefore, the bill must be dismissed.

Furthermore, the Court had before it the prior art, but refers specifically to only two of the prior patents—Manier and Peckham. It will be noticed that it makes no

reference to the tests made by Respondents, as shown by their affidavits, nor in fact to any disputed questions of fact, which require any evidence to elucidate. The Court directed the dismissal of the complaint, upon an examination of Respondents' trucks and a comparison made between them and the structure covered by the claims of the patent, construed in the light of the specification. The Court did not find it necessary to even refer to the file wrapper and contents of the application upon which the patent-in-suit was brought, although it was before it. Had the Court examined that document, it would have had an additional reason for its direction of dismissal.

The file wrapper and contents show that, conceding the Peckham patent was withdrawn as a reference, it was not withdrawn until after applicant had solemnly admitted that the difference between the subject matters of the claims in dispute and the Peckham prior patent resided in the fact that:

> "Peckham describes nothing about one set of springs being quicker or slower than the other, nor one series of springs being adapted to act prior to the other series."

After such an admission the examiner was justified in not again referring to the Peckham patent.

The question whether or not the Peckham and Manier patents belong to the prior art is one we have treated in our main brief, and we have shown that upon the facts, as claimed by the Petitioners, in view of the well settled rules of law, no amount of evidence can alter the finding that they belong to the prior art.

We have also shown in our main brief that the additional claims which the Petitioners now say they desire to litigate were claims on which, under the doctrine of comity, they had a right to ask for a preliminary injunction, and that those claims contain, among other limitations, the limitations that the elliptic springs do not compress until the spiral springs are abnormally compressed.

Correctly construed as the patent was by the Court of Appeals, its conclusion was clearly correct in the hold-

ing that the Petitioners could not ultimately recover, and the Court was, therefore, justified in intervening to save all the parties from an enormously expensive litigation.

We confidently believe that when this Court examines the patent-in-suit, the Respondents' structures, and the prior art that its conclusions must be that the Circuit Court of Appeals of the Second Circuit committed no error in directing the dismissal of the bill.

Respectfully submitted,

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March 7, 1903.